Action Item	14
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PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA COMMISSION DIRECTIVE

ADMINISTRATIVE MATTER		DA	ГЕ	October 13, 2011
MOTOR CARRIER MATTER		DO	CKET NO.	2011-47-WS
UTILITIES MATTER	~	ORI	DER NO.	

SUBJECT:

DOCKET NO. 2011-47-WS - <u>Application of Carolina Water Service</u>, <u>Incorporated for Approval of an Increase in Its Rates for Water and Sewer Services Provided to All of Its Service Areas in South Carolina</u> – Discuss this Matter with the Commission.

COMMISSION ACTION:

In Docket No. 2011-47-WS, Carolina Water Service seeks to increase its rates and charges for water and sewer services provided to all of its South Carolina customers. The Company's initial application requested a gross revenue increase of \$2,232,408. Under current rates, a household receiving both water and sewer service from Carolina Water Service and consuming 7,000 gallons per month pays a monthly combined water and sewer bill of \$74.94. Under the tariff proposed by the Company in its initial application, this household would see a total monthly combined increase of \$34.68, making the total bill \$109.62 per month.

The full evidentiary hearing in this docket was held on September 7 and 8. Additionally, the Commission held three public hearings at which it heard from members of the public: in the Oak Grove community in Lexington County; in the Lake Wylie community in York County; and in the Commission's Hearing Room. At these hearings, a total of 55 public witnesses testified in opposition to the proposed rate increase.

The customer testimony in this case was particularly compelling. We heard from witnesses who reported myriad customer service problems, including irregular and inaccurate billing, unwarranted disconnection of service, sewer system overflows, water service disruptions and frequent boil-water advisories, and poor water quality. In some neighborhoods, particularly Forty Love Point in Chapin and Oak Grove in Lexington County, we heard testimony that the water provided by the Applicant was discolored, smelled bad, tasted bad, and damaged clothes, fixtures, and appliances. Some of these customers reported that they had incurred significant additional household expenses for water filtration systems and/or bottled drinking water as a direct result of the poor water quality in their homes.

We are absolutely convinced from the testimony we received that the customer service problems presented by the Applicant are so pervasive and severe that the most just result in this case would be a general denial of the requested increase in its entirety. We therefore deny the Applicant's request for rate relief.

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PRESIDING:	<u>Howard</u>				SESSION: Regular	TIME: 2:00 p.m.		
FLEMING	MOTION	YES	NO V	OTHER				

HALL			V
HAMILTON		~	
HOWARD		~	
MITCHELL		~	
WHITFIELD	~	~	
WRIGHT		~	

(SEAL) RECORDED BY: <u>J. Schmieding</u>

